



EXTRAORDINARY GENERAL MEETING DECEMBER 22, 2020

Management Board Report to the Extraordinary General Meeting

The section references hereinafter refer to the Sections of Valneva SE's 2019 Universal Registration Document, which is available on the Company's website www.valneva.com, "Investors" / "Regulated Information" section (and in direct access at the following address: https://valneva.com/wp-content/uploads/large-agm-files/VAL2019_URD_EN_VBAT-3_200331.pdf).



VALNEVA

A European company (*Societas Europaea* or SE) with a Management and a Supervisory Board

Share capital: €13,643,240.55

Registered office: 6 rue Alain Bombard, 44800 Saint-Herblain (France)

Nantes Companies Register (RCS) No. 422 497 560

MANAGEMENT BOARD REPORT TO THE EXTRAORDINARY GENERAL MEETING OF DECEMBER 22, 2020

To the Shareholders,

In accordance with the provisions of the law and the Company's Articles of Association, the Extraordinary General Meeting has been convened to vote on the draft resolutions presented below.

As required by the articles of association, law and regulations, the following reports have been made available to you:

- + Management Board Report to the Extraordinary General Meeting on the proposed resolutions;
- + Report by the Joint Statutory Auditors on the capital increase by issuance of ordinary shares and securities giving access to the share capital with and/or without preferential subscription rights;
- + Report by the Joint Statutory Auditors on the capital increase reserved for participants in a company savings plan.

We hereby inform you that the following resolutions submitted to your approval are intended, if applicable, to enable our Company to carry out its initial public offering on the Nasdaq, like many other companies operating in our business sector. We would like to draw your attention on the fact that in the case this project materializes, we would use either the 3rd resolution or the 6th resolution submitted to your approval. We would like to point out that the implementation of one or the other of these two resolutions is exclusive of the shareholders' preferential rights.

After a reading has been given of the aforementioned reports, the following resolutions will be submitted to your approval:

Extraordinary resolutions

- + Amendments of the Company's Articles of Association (Resolution 1);
- + Grant of authority to the Management Board to increase the share capital by issuing ordinary shares or any securities giving access to the capital while maintaining the preferential subscription right of the shareholders (Resolution 2);
- + Grant of authority to the Management Board to increase the capital by issuing ordinary shares or any securities giving access to the capital through a public offering (other than those referred to in Article L. 411-2, 1° of the French Monetary and Financial Code), canceling preferential subscription rights of the shareholders though including an option for a priority period (Resolution 3);
- + Grant of authority to the Management Board to increase the share capital by issuing shares and/or securities giving immediate and/or future access to the Company's share capital, with cancellation of preferential subscription rights of the shareholders, through a public offering referred to in Article L. 411-2, 1° of the French Monetary and Financial Code (Resolution 4);
- + Grant of authority to the Management Board in the event of an issue of the Company's ordinary shares and/or securities giving immediate and/or later access to the Company's share capital, with cancellation of preferential subscription rights of the shareholders, to set the issue price,



- up to a limit of 10% of the share capital per year (Resolution 5);
- + Grant of authority to the Management Board to increase the share capital by issuing shares and/or securities giving immediate and/or future access to the Company's share capital, with cancellation of preferential subscription rights of the shareholders for the benefit of certain categories of persons meeting specified characteristics (Resolution 6);
- + Grant of authority to the Management Board to increase the number of shares to be issued in the case of a capital increase, with or without preferential subscription rights for existing shareholders, within the limit of 15% of the initial issue amount (Resolution 7);
- + Grant of authority to the Management Board in order to increase the share capital through the capitalization of reserves, earnings or premium (Resolution 8);
- + Grant of authority to the Management Board to increase the share capital by issuing shares and/or securities giving immediate and/or future access to the capital of the Company, with cancellation of preferential subscription rights of the shareholders, in consideration for contributions in kind for equity securities or other securities giving access to the capital (Resolution 9);
- + Maximum aggregate amount of capital increases (Resolution 10);
- + Grant of authority to the Management Board for the purpose of deciding to carry out a capital increase reserved for employees (Resolution 11);
- + Powers for formalities (Resolution 12).

1. Amendments of the Company's Articles of Association (Resolution 1)

We hereby propose to amend article 18, 2. of the Company's Articles of Association as follows, the other provisions of the Company's Articles of Association remaining unchanged:

<p>Article 18 - Bureau and resolutions of the Board <i>Former wording</i></p>	<p>Article 18 - Board committee and resolutions <i>New wording</i></p>
<p>1. Supervisory Board meetings shall be held as often as the interests of the Company require and at least once per quarter, at the request of the Chairman, the Deputy Chairman or a member of the Supervisory Board, made by any written means, including by email or even verbally.</p> <p>[...]</p> <p>Moreover, for the purposes of calculating the quorum and majority, the members of the Supervisory Board who take part in the board meetings by videoconference or any other electronic means of telecommunications or remote transmission shall be considered to be present, except for the adoption of the following decisions:</p> <ul style="list-style-type: none"> - verification and control of the annual financial statements and, as appropriate, of the consolidated accounts; - appointment of the members of the Management Board ; - appointment of the Chairman or of the Deputy Chairman of the Supervisory Board and determination of their remuneration. <p>[...]</p>	<p>2. Supervisory Board meetings shall be held as often as the interests of the Company require and at least once per quarter, at the request of the Chairman, the Deputy Chairman or a member of the Supervisory Board, made by any written means, including by email or even verbally.</p> <p>[...]</p> <p>Moreover, for the purposes of calculating the quorum and majority, the members of the Supervisory Board who take part in the board meetings by videoconference or any other electronic means of telecommunications or remote transmission shall be considered to be present, except for the adoption of the decisions relating to verification and control of the annual financial statements and, as appropriate, of the consolidated accounts.</p> <p>[...]</p> <p><i>The other paragraphs remain unchanged.</i></p>



2. Capital increase through the issuance of ordinary shares or any securities giving access to the capital while maintaining the preferential subscription right of the shareholders - Grant of authority to the Management Board to this purpose (Resolution 2)

We hereby propose that you:

- + delegate to the Management Board, in accordance with the provisions of Articles L. 225-129 *et seq.* and L. 228-91 *et seq.* of the French Commercial Code, with the option of subdelegation under the conditions laid down by law, for a maximum period of twenty-six (26) months from the present Meeting, the power to decide to carry out one or more immediate or future increases in capital by issuing, while maintaining the preferential subscription right of shareholders, in France or abroad, either in euros, or in any other currency, or in any monetary unit established by reference to several currencies:
 - o ordinary shares of the Company, and/or
 - o any capital securities of the Company giving access by any means, immediately or in the future, to other existing or future capital securities of the Company or giving the right to receive debt instruments from the Company, and/or
 - o any securities, whether hybrid or not, giving access by any means, immediately or in the future, to capital securities to be issued by the Company, and possibly giving access to existing capital securities and/or giving the right to receive debt instruments from the Company,

it being specified that these shares and securities may be subscribed for in cash or by set-off against certain, due and payable claims;

- + resolve that the issuance of any preferred shares or securities giving access, immediately or in the future, to preferred shares shall be excluded from the delegation of authority of resolution 2 currently being submitted for your approval;
- + resolve that the total nominal amount of increases in share capital which can be carried out, immediately or in the future, by virtue of resolution 2 currently being submitted for your approval, may not under any circumstances exceed a maximum overall amount of four million six hundred and sixty-nine thousand five hundred euros (€4,669,500) or the equivalent value in a foreign currency, to which amount will be added, if applicable, the additional nominal amount of shares or securities to be issued for the purposes of any adjustments to be made in accordance with applicable legislative or regulatory provisions and, if applicable, with contractual stipulations providing for other forms of adjustment, in order to preserve the rights of the holders of securities giving access to capital;
- + decide that the shareholders may exercise in accordance with the applicable laws and regulations, and proportionally to their rights and within the limit of their requests, their preferential right to subscribe on the basis of irrevocable entitlement (*à titre irréductible*) for ordinary shares or securities issued under resolution 2 currently being submitted for your approval. In addition, the Management Board may establish for the benefit of shareholders a right to apply for excess shares subject to reduction (*à titre réductible*) exercisable in proportion to their rights and within the limit of their demand;
- + decide that if take-up for shares on the basis of irrevocable entitlement (*à titre irréductible*) with respect to exact rights and, when applicable, for excess shares subject to reduction (*à titre réductible*), should fail to account for the entire issue of the shares or securities as defined above, the Management Board may, as it chooses, and in the order it decides, in accordance with Article L. 225-134 of the French Commercial Code, proceed with one or more of the following options (i) freely allocate all or part of the unsubscribed securities to any persons of its choosing, (ii) offer these securities to the public and/or (iii) restrict the amount of the issuance



to the subscriptions received, provided that these amount to not less than three quarters of the initial intended issuance;

- + resolve that the securities that may accordingly be issued may notably consist of debt securities, including securities giving the right to receive debt securities representing a right to debt securities, whether or not governed by Articles L. 228-91 *et seq.* of the French Commercial Code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities. These debt securities may or may not be for an unlimited term, may or may not be subordinate, and may be issued in France or abroad, either in euros or in another currency, or in any other monetary units established by reference to several currencies. The maximal nominal amount of debt securities that may be issued under resolutions 3, 4, 5, 6, 7 and 9 also submitted for your approval may not exceed one hundred and fifty-five million six hundred and fifty thousand euros (€155,650,000) or the equivalent value at the exchange rate prevailing on the date of the issue decision, but will be independent of the amount of any debt securities referred to in Articles L. 228-38, L. 228-92 (3rd paragraph), L. 228-93 (6th paragraph) and L. 228-94 (3rd paragraph) of the French Commercial Code, for which the issue may otherwise be authorized or decided, in accordance with Articles L. 228-36-A and L. 228-40 of the French Commercial Code and the Company's Articles of Association. They may be subject to a fixed or variable interest rate, with or without capitalization, and be the subject of redemption, with or without a premium, or amortization, of any kind, with the possibility for the securities to be bought on the stock market or offered for sale or exchange by the Company;
- + resolve that, except subject to prior authorization by the General Meeting, the delegation of authority provided for by resolution 2 currently being submitted for your approval shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period;
- + delegate all powers to the Management Board, that it may in turn delegate as permitted by law, to set the issue price and conditions, set the amount of the issue, determine the issue procedures and the form of securities to be created, set the date of record of the securities to be issued, including on a retroactive basis, make all adjustments required in accordance with legal and regulatory provisions to preserve the rights of holders of securities giving access to the capital of the Company, list the securities to be issued, and generally allow for all measures, enter into all agreements and carry out all formalities necessary to ensure the successful completion of the proposed issues, and, as the case may be, suspend it, formally record the capital increases resulting therefrom and amend the Articles of Association in consequence.
- + give the Management Board the authority (that it may further delegate as permitted by law), at its own initiative, to charge fees for increases in capital to total premiums and to deduct from this amount the sums required to keep the legal reserve at one tenth (1/10) of the new capital after each issue;
- + note that the delegation of authority provided for under resolution 2 currently being submitted for your approval automatically entails by operation of law, in favor of the owners of securities giving access, immediately or in the future, to the capital of the Company, which may be issued by virtue of this delegation, renunciation by the shareholders of their preferential right to subscribe for shares to which said securities could give a right.
- + duly note that the Management Board will report to the next Ordinary General Meeting, as required by law and regulations, on the uses made of the authorizations granted under resolution 2 currently being submitted for your approval.



3. Capital increase through the issuance of ordinary shares or any securities giving access to the capital, through a public offering (other than those referred to in Article L. 411-2, 1° of the French Monetary and Financial Code), canceling preferential subscription rights of the shareholders though including an option for a priority period - Grant of authority to the Management Board to this purpose (Resolution 3)

We hereby propose that you:

- + resolve, in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129-5, L. 225-135 and L. 225-136 of said Code, to delegate to the Management Board, with the option of subdelegation under the conditions laid down by law, for a maximum period of twenty-six (26) months from the present Meeting, its power to decide to carry out one or more immediate or future increases in capital by issuing, through a public offering (other than those referred to in Article L. 411-2, 1° of the French Monetary and Financial Code), with cancellation of preferential subscription rights of the shareholders though, including an option for a priority period, in France or abroad, either in euros, or in any other currency, or in any monetary unit established by reference to several currencies:
 - o ordinary shares of the Company, and/or
 - o any capital securities of the Company giving access by any means, immediately or in the future, to other existing or future capital securities of the Company or giving the right to receive debt instruments from the Company, and/or
 - o any securities, whether hybrid or not, giving access by any means, immediately or in the future, to capital securities to be issued by the Company, and possibly giving access to existing capital securities and/or giving the right to receive debt instruments from the Company,it being specified that these shares and securities may be subscribed for in cash or by set-off against certain, due and payable claims;
- + resolve that the issuance of any preferred shares or securities giving access, immediately or in the future, to preferred shares is excluded from the delegation of authority of resolution 3 currently being submitted for your approval;
- + resolve that the total maximum nominal amount of increases in share capital which can be carried out, immediately or in the future, may not under any circumstances exceed a maximum overall amount of four million six hundred and sixty-nine thousand five hundred euros (€4,669,500) or the equivalent value in a foreign currency, to which amount will be added, if applicable, the additional nominal amount of shares or securities to be issued for the purposes of any adjustments to be made in accordance with applicable laws and regulations and, if applicable, with contractual provisions providing for other forms of adjustment, in order to preserve the rights of the holders of securities giving access to the capital;
- + resolve that the Company may carry out the capital increases through a public offering of securities (other than one of those referred to in Article L. 411-2, 1° of the French Monetary and Financial Code), and note that any public offerings decided under resolution 3 currently being submitted for your approval may be combined with public offerings referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, within the same issue or through several simultaneous issues;
- + resolve that the Management Board will have all powers, with a right of subdelegation upon the conditions provided for by law, to implement, if it so decides, the delegation of authority provided for under the resolution 3 currently being submitted for your approval, on one or more occasions, in proportions and at times that it sees fit, and to amend the Articles of Association accordingly;
- + decide that if take-up for shares should fail to account for the entire issue of the shares or



securities as defined above, the Management Board may, as it chooses, and in the order it decides, use one or more of the options granted under Article L. 225-134 of the French Commercial Code, including the one restricting the amount of the issuance to the subscriptions received, provided that these amount to not less than three quarters of the initial intended issuance;

- + decide to cancel shareholders' preferential subscription rights to shares and other securities giving access to the capital of the Company covered by resolution 3 currently being submitted for your approval. The Management Board may nevertheless grant the shareholders, pursuant to Article L. 225-135, paragraph 5, of the French Commercial Code, a priority subscription period for a time period and according to procedures that it will establish in accordance with applicable laws and regulations and for all or part of the issue. This priority subscription period shall not result in the creation of negotiable rights and must be exercised in proportion to the number of shares owned by each shareholder;
- + resolve that the securities that may accordingly be issued may notably consist of debt securities, including securities giving the right to receive debt securities representing a right to debt securities, whether or not governed by Articles L. 228-91 *et seq.* of the French Commercial Code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities. These debt securities may or may not be for an unlimited term, may or may not be subordinate, and may be issued in France or abroad, either in euros or in another currency, or in any other monetary units established by reference to several currencies. The maximal nominal amount of debt securities thereby issued may not exceed one hundred and fifty-five million six hundred and fifty thousand euros (€155,650,000) or the equivalent value at the exchange rate prevailing on the date of the issue decision, but will be independent of the amount of any debt securities referred to in Articles L. 228-38, L. 228-92, 3rd paragraph, L. 228-93, 6th paragraph and L. 228-94, 3rd paragraph of the French Commercial Code, for which the issue may otherwise be authorized or decided, in accordance with Articles L. 228-36-A and L. 228-40 of the French Commercial Code and the Company's Articles of Association. They may be subject to a fixed or variable interest rate, with or without capitalization, and be the subject of redemption, with or without a premium, or amortization, of any kind, with the possibility for the securities to be bought on the stock market or offered for sale or exchange by the Company;
- + resolve that the par value of the debt securities that may be issued under resolution 3 currently being submitted for your approval will be credited against the maximum nominal amount of debt securities as set out in resolution 2 also submitted for your approval;
- + resolve that the issue price of new shares that may be issued under the delegation of authority submitted for your approval, will be determined by the Management Board, with the option of sub-delegation under the conditions laid down by law:
 - i. the issue price for the ordinary shares shall at least equal the minimum amount provided for by the laws and regulations in force at the time this delegation of authority is used, after adjusting, if applicable, this amount to take into account the difference in the date of record (or currently the volume-weighted average price for the last three (3) trading days on Euronext Paris preceding the start of the public offering, that may be reduced by a maximum discount of ten percent (10%), as applicable, in accordance with Article L. 225-136 and Article R. 225-119 of the French Commercial Code); and
 - ii. the issue price of the securities will be such that the amount immediately received by the Company, increased, as applicable, by amounts it may subsequently receive, will be for each ordinary share issued pursuant to the issuance of these securities at least equal to the amount defined in paragraph "i." above, after



adjustment, if applicable, in order to take into account the difference in the date of record.

- + resolve that, except subject to prior authorization by the General Meeting, the delegation of authority provided for by resolution 3 currently being submitted for your approval shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period;
- + give the Management Board the power, with the option of subdelegation under the conditions laid down by law, at its own initiative, to implement the delegation provided for under resolution 3 currently being submitted for your approval, and in particular to:
 - o charge fees for increases in capital to total premiums and deduct from this amount the sums required to keep the legal reserve at 1/10 of the new capital after each increase;
 - o decide on kind of securities to be created, their characteristics, their price and the terms and conditions of their issue;
 - o decide on the method for paying up, including by offsetting due and payable debts, securities to be issued and, if applicable, the conditions for their redemption;
 - o charge all issue expenses incurred to premium;
 - o make all allotments of securities by conversion, exchange, redemption or presentation of a warrant;
 - o determine procedures for adjusting the conditions for future access to the capital of securities thereby issued (including warrants), and suspend, if applicable, the exercise of rights attached to these securities and warrants for a maximum period of three (3) months;
 - o execute all underwriting agreements and any other agreement required in connection with any issuance carried out under this resolution;
 - o take all measures and ensure compliance with all formalities required for admission to trading, on a regulated market and/or any other financial market located outside the European Economic Area, of any rights, shares, securities and warrants created;
 - o lay down the conditions for free allotment and the exercising of autonomous equity warrants, and determine the terms of stock exchange purchase or offer for purchase or exchange of securities or equity warrants or allotment of shares, and the redemption of these securities or warrants;
 - o record the capital increase(s) resulting therefrom;
 - o make any amendments to the Articles of Association in relation to the amount of share capital and the number of shares involved;
 - o and, generally, decide and carry out all formalities, lay down all conditions useful for ensuring the execution and proper completion of any issues that may be carried out by virtue of resolution 3 currently being submitted for your approval and, as the case may be, suspend it.
- + note that the delegation of authority provided for under resolution 3 currently being submitted for your approval automatically entails by operation of law, in favor of the owners of securities giving access, immediately or in the future, to the capital of the Company, which may be issued by virtue of this delegation, renunciation by the shareholders of their preferential right to subscribe for shares to which said securities could give a right.

If the Management Board were to implement the delegation of authority provided for by resolution 3



currently being submitted for your approval, a special report of the Statutory Auditors would be drawn up, in accordance with Article L. 225-135 of the French Commercial Code and regulations. In addition, the Management Board would report to the next Ordinary General Meeting, as required by law and regulation, on the uses made of the authorizations granted under resolution 3 currently being submitted for your approval.

4. Capital increase by issuance of shares and/or securities giving immediate and/or future access to the Company's share capital, with cancellation of preferential subscription rights of the shareholders, through a public offering referred to in Article L. 411-2, 1° of the French Monetary and Financial Code - Grant of authority to the Management Board to this purpose (Resolution 4)

We hereby propose that you:

- + resolve, in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129-2, L. 225-135 and L. 225-136 of said Code, to delegate to the Management Board, with the option of subdelegation under the conditions laid down by law, for a maximum period of twenty-six (26) months from the present Meeting, its power to decide to carry out one or more immediate or future increases in capital, by issuing, with cancellation of preferential subscription rights of the shareholders:
 - o ordinary shares of the Company, and/or
 - o any capital securities of the Company giving access by any means, immediately or in the future, to other existing or future capital securities of the Company or giving the right to receive debt instruments from the Company, and/or
 - o any securities, whether hybrid or not, giving access by any means, immediately or in the future, to capital securities to be issued by the Company, and possibly giving access to existing capital securities and/or giving the right to receive debt instruments from the Company,through a public offering as referred to in Article L. 411-2, 1° of the French Monetary and Financial Code (*Code monétaire et financier*), it being specified that these shares and securities may be subscribed for in cash or by offsetting due and payable debts;
- + resolve that the total amount of capital increases that may be carried out, immediately and/or in the future, may not exceed the maximum amount provided for by applicable regulation, *i.e.* currently twenty percent (20%) of the share capital per year on the date of implementation of the delegation, it being specified that to this maximum amount will be added, as applicable, the additional nominal amount of shares to be issued in accordance with the provisions of the law and contractual provisions to preserve the rights of holders of securities giving access to the capital;
- + resolve that the Management Board, will have all powers, with a right of subdelegation upon the conditions provided for by law, to implement, if it so decides, the delegation of authority provided for under the resolution 4 submitted for your approval on one or more occasions, in proportions and at times that it sees fit, and to amend the Articles of Association accordingly;
- + resolve to cancel shareholders' preferential right to subscribe for shares and securities giving access to the capital of the Company to which resolution 4 currently being submitted for your approval relates;
- + resolve that the securities that may accordingly be issued may notably consist of debt securities, including securities giving the right to receive debt securities representing a right to debt securities, whether or not governed by Articles L. 228-91 *et seq.* of the French Commercial Code, or warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities. These debt securities may or may not be for an unlimited term, may



or may not be subordinate, and may be issued in France or abroad, either in euros or in another currency, or in any other monetary units established by reference to several currencies. The maximal nominal amount of debt securities thereby issued may not exceed one hundred and fifty-five million six hundred and fifty thousand euros (€155,650,000) or the equivalent value at the exchange rate prevailing on the date of the issue decision, but will be independent of the amount of any debt securities referred to in Articles L. 228-38, L. 228-92, 3rd paragraph, L. 228-93, 6th paragraph and L. 228-94, 3rd paragraph of the French Commercial Code, for which the issue may otherwise be authorized or decided, in accordance with Articles L. 228-36-A and L. 228-40 of the French Commercial Code and the Company's Articles of Association. They may be subject to a fixed or variable interest rate, with or without capitalization, and be the subject of redemption, with or without a premium, or amortization, of any kind, with the possibility for the securities to be bought on the stock market or offered for sale or exchange by the Company;

- + resolve that the par value of the debt securities that may be issued under resolution 4 currently being submitted for your approval will be credited against the maximum nominal amount of debt securities as set out in resolution 2 also submitted to your approval;
- + resolve that the issue price of new shares that may be issued under this delegation provided for by resolution 4 currently being submitted for your approval, in accordance with Articles L. 225-136, 1^o and R. 225-119 of the French Commercial Code, will be set by the Management Board under the following conditions:
 - i. the issue price for shares directly issued shall at least equal the minimum provided by applicable legal and regulatory provisions on the issue date (*i.e.* on this date, the volume-weighted average price of the share on Euronext Paris calculated over a period of three (3) trading days preceding the start of the public offering, that may be reduced by a maximum discount of ten percent (10%); and
 - ii. the issue price of securities giving access to the share capital will be such that the amount immediately received by the Company, increased, as applicable, by amounts it may subsequently receive, will be for each ordinary share issued pursuant to the issuance of these securities at least equal to the minimum subscription price as defined in paragraph "i." above.
- + resolve that, except subject to prior authorization by the General Meeting, the delegation of authority provided for by resolution 4 currently being submitted for your approval shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period;
- + decide that if take-up for shares should fail to account for the entire issue of the shares or securities as defined above, the Management Board may, as it chooses, and in the order it decides, use one or more of the options granted under Article L. 225-134 of the French Commercial Code, including the one restricting the amount of the issuance to the subscriptions received, provided that these amount to not less than three quarters of the initial intended issuance;
- + give the Management Board the power, with the option of subdelegation under the conditions laid down by law, at its own initiative, to implement the delegation provided for under resolution 4 currently being submitted for your approval, and in particular to:
 - o charge fees for increases in capital to total premiums and deduct from this amount the sums required to keep the legal reserve at 1/10 of the new capital after each increase;
 - o decide on kind of securities to be created, their characteristics, their price and the terms and conditions of their issue;



- decide on the method for paying up, including by offsetting due and payable debts, securities to be issued and, if applicable, the conditions for their redemption;
 - charge all issue expenses incurred to premium;
 - make all allotments of securities by conversion, exchange, redemption or presentation of a warrant;
 - determine procedures for adjusting the conditions for future access to the capital of securities thereby issued (including warrants), and suspend, if applicable, the exercise of rights attached to these securities and warrants for a maximum period of three (3) months;
 - execute all underwriting agreements and any other agreement required in connection with any issuance carried out under this resolution;
 - take all measures and ensure compliance with all formalities required for admission to trading, on a regulated market and/or any other financial market located outside the European Economic Area, of any rights, shares, securities and warrants created;
 - lay down the conditions for free allotment and the exercising of autonomous equity warrants, and determine the terms of stock exchange purchase or offer for purchase or exchange of securities or equity warrants or allotment of shares, and the redemption of these securities or warrants;
 - record the capital increase(s) resulting therefrom;
 - make any amendments to the Articles of Association in relation to the amount of share capital and the number of shares involved;
 - and, generally, decide and carry out all formalities, lay down all conditions useful for ensuring the execution and proper completion of any issues that may be carried out by virtue of resolution 4 currently being submitted for your approval and, as the case may be, suspend it.
- + note that the delegation of authority provided for under resolution 4 currently being submitted for your approval automatically entails by operation of law, in favor of the holders of securities giving access, immediately or in the future, to the capital of the Company, which may be issued by virtue of this delegation, renunciation by the shareholders of their preferential right to subscribe for shares to which said securities could give a right.

If the Management Board were to implement the delegation of authority provided for by resolution 4 currently being submitted for your approval, a special report of the Statutory Auditors would be drawn up, in accordance with Article L. 225-135 of the French Commercial Code and regulations. In addition, the Management Board would report to the next Ordinary General Meeting, as required by law and regulation, on the uses made of the authorizations granted under resolution 4 currently being submitted for your approval.

5. Grant of authority to the Management Board in the event of an issue of the Company's ordinary shares and/or securities giving immediate and/or later access to the Company's share capital, with cancellation of preferential subscription rights of the shareholders, to set the issue price, up to a limit of 10% of the share capital per year (Resolution 5)

We hereby propose, in accordance with Article L. 225-136-1 of the French Commercial Code, that you:

- + authorize the Management Board, for each of the issues decided pursuant to the authorizations granted under resolutions 3 and/or 4 also submitted for your approval, and up to a limit of ten percent (10%) of the Company's share capital (this limit being assessed as of the date of implementation of this delegation, it being specified that to this limit shall be added, where



applicable, the additional nominal amount of the shares to be issued to preserve, in accordance with the law and, where applicable, to contractual stipulations providing for other cases of adjustment, the rights of holders of securities giving access to a portion of the Company's share capital) per year, to depart from the conditions for setting the price provided for in the aforementioned resolutions and to set the issue price of the shares and/or securities giving immediate or later access to the share capital issued, in accordance with the following terms and conditions:

- i. the issue price may not be less than the weighted average share price on the Euronext Paris over a period chosen by the Management Board of between three (3) and ninety (90) consecutive trading days preceding the determination of the issue price, possibly reduced, at the discretion of the Management Board, by a maximum discount of fifteen percent (15%); and
 - ii. the issue price of the securities will be such that the amount immediately received by the Company, plus, if applicable, the amount that may be subsequently received by the Company, will be for each ordinary share issued as a consequence of the issuance of these securities at least equal to the amount referred to in paragraph " i." above, after correction, if applicable, of this amount to take into account the difference in the date of record.
- + resolve that the maximum nominal amount of the capital increases that may be carried out, immediately or at a later time, pursuant to the authorization provided by resolution 5 currently being submitted for your approval, may not exceed ten percent (10%) of the Company's share capital (this limit being assessed as of the date of implementation of this delegation, it being specified that to this limit shall be added, where applicable, the additional nominal amount of the shares to be issued to preserve, in accordance with the law and, as the case may be, with the contractual stipulations providing for other cases of adjustments, the rights of holders of securities giving access to a portion of the Company's share capital), within the limit of the capital increase ceiling provided for in resolution 3, or, as the case may be, resolution 4 also submitted for your approval and the general limit provided for in resolution 10;
 - + resolve that the nominal amount of the debt securities that may be issued pursuant resolution 5 currently being submitted for your approval, shall be deducted from the total nominal amount of debt securities set forth in resolution 2 also submitted for your approval;
 - + resolve, under the conditions provided for in resolution 3 or, as the case may be, resolution 4, also submitted for your approval, that the Management Board shall have full powers to implement this authorization;
 - + resolve that, except subject to prior authorization by the General Meeting, the authorization provided by resolution 5, currently being submitted for your approval, shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period; and
 - + resolves that the authorization provided by resolution 5, currently being submitted for your approval, is valid for a period of twenty-six (26) months from the date of this General Meeting.

The proposed maximum discount of fifteen percent (15%) is intended to allow the Management Board to adapt to market conditions and is consistent with similar transactions. The proposed maximum reference period allows the share price to be smoothed, if necessary and relevant to the actual price trend.

In accordance with the provisions of Article L. 225-136, 1° of the French Commercial Code, the Company's Statutory Auditors have prepared a report on the conditions for determining the terms and conditions for setting the issue price, which will be read to you.



6. Grant of authority to the Management Board to increase the share capital by issuing shares, with cancellation of preferential subscription rights of the shareholders for the benefit of certain categories of persons meeting specified characteristics (Resolution 6)

We hereby propose that you:

- + resolve, in accordance with the provisions of the French Commercial Code and in particular Articles L. 225-129-5, L. 225-135 and L. 225-138 of said Code, to delegate to the Management Board, with the option of subdelegation under the conditions laid down by law, for a maximum period of eighteen (18) months from the present Meeting, its power to decide to carry out one or more immediate or future increases in capital, by issuing, with cancellation of preferential subscription rights of the shareholders for the benefit of certain categories of persons meeting specified characteristics, in France or abroad, either in euros, or in any other currency, or in any monetary unit established by reference to several currencies, ordinary shares of the Company, it being specified that these shares may be subscribed for in cash or by set-off against certain, due and payable claims;
- + resolve that the issuance of any preferred shares or securities giving access, immediately or in the future, to preferred shares is excluded from this delegation;
- + resolve that the total maximum nominal amount of increases in share capital which can be carried out may not under any circumstances exceed a maximum overall amount of four million six hundred and sixty-nine thousand five hundred euros (€4,669,500) or the equivalent value in a foreign currency, to which amount will be added, if applicable, the additional nominal amount of shares or securities to be issued for the purposes of any adjustments to be made in accordance with applicable laws and regulations and, if applicable, with contractual provisions providing for other forms of adjustment, in order to preserve the rights of the holders of securities giving access to the capital;
- + resolve that the Management Board will have all powers, with a right of subdelegation upon the conditions provided for by law, to implement, if it so decides, the delegation of authority provided for under the resolution 6 currently being submitted for your approval, on one or more occasions, in proportions and at times that it sees fit, and to amend the Articles of Association accordingly;
- + resolve to cancel shareholders' preferential subscription rights to shares covered by resolution 6 currently being submitted for your approval, and accord the right to subscribe to:
 - (i) natural persons and legal entities, including companies, trusts or investment funds, organized under French or foreign law, that routinely invest in the pharmaceutical, biotechnological or medical technology sector; and/or
 - (ii) companies, institutions or entities of any type, French or foreign, that do a significant part of their business in the pharmaceutical, cosmetic, chemical or medical devices and/or technologies or research in these sectors; and/or
 - (iii) French or foreign investment services companies, or any foreign establishment with an equivalent status, that could guarantee to carry out an issue to be placed with the persons described in (i) and/or (ii) above, in this context, to subscribe for securities that are issued.
- + decide that if take-up for shares should fail to account for the entire issue, the Management Board may, as it chooses, and in the order it decides, use one or more of the options granted under Article L. 225-134 of the French Commercial Code, including the one restricting the amount of the issuance to the subscriptions received, provided that these amount to not less than three quarters of the initial intended issuance;
- + resolve that the issue price of the shares that may be issued under the delegation of authority submitted for your approval, will be determined by the Management Board, with the option of



subdelegation, under the following conditions: the issue price for the shares may not be less than the weighted average share price on the Euronext Paris over a period chosen by the Management Board of between three (3) and ninety (90) consecutive trading days preceding the determination of the issue price, possibly reduced, at the discretion of the Management Board, by a maximum discount of fifteen percent (15%);

- + give the Management Board the power, with the option of subdelegation under the conditions laid down by law, at its own initiative, to implement the delegation provided for under resolution 6 currently being submitted for your approval, and in particular to:
 - o determine the list of beneficiaries from within the aforementioned category of investors who will benefit from the waiver of preferential subscription rights of the shareholders, and the number of shares to be allocated to each of them;
 - o charge fees for increases in capital to total premiums and deduct from this amount the sums required to keep the legal reserve at 1/10 of the new capital after each increase;
 - o decide on the method for paying up, including by offsetting due and payable debts, shares to be issued;
 - o charge all issue expenses incurred to premium;
 - o execute all underwriting agreements and any other agreement required in connection with any issuance carried out under this resolution;
 - o take all measures and ensure compliance with all formalities required for admission to trading, on a regulated market and/or any other financial market located outside the European Economic Area, of the shares created;
 - o record the capital increase(s) resulting therefrom;
 - o make any amendments to the Articles of Association in relation to the amount of share capital and the number of shares involved;
 - o and, generally, decide and carry out all formalities, lay down all conditions useful for ensuring the execution and proper completion of any issues that may be carried out by virtue of resolution 6 currently being submitted for your approval and, as the case may be, suspend it.
- + note that the delegation of authority provided for under resolution 6 currently being submitted for your approval automatically entails by operation of law, in favor of the owners of securities giving access, immediately or in the future, to the capital of the Company, which may be issued by virtue of this delegation, renunciation by the shareholders of their preferential right to subscribe for shares to which said securities could give a right.

If the Management Board were to implement the delegation of authority provided for by resolution 6 currently being submitted for your approval, a special report of the Statutory Auditors would be drawn up, in accordance with Article L. 225-135 of the French Commercial Code and regulations. In addition, the Management Board would report to the next Ordinary General Meeting, as required by law and regulation, on the uses made of the authorizations granted under resolution 6 currently being submitted for your approval.

In addition, we hereby inform you that if you decide to take part in the vote on resolution 6 currently being submitted to your approval, you will not be entitled to benefit from such resolution, in accordance with the law and regulations.



7. Grant of authority to the Management Board to increase the number of shares to be issued in the case of a capital increase, with or without preferential subscription rights for existing shareholders, within the limit of 15% of the initial issue amount (Resolution 7)

We hereby propose that you delegate to the Management Board, in accordance with the provisions of Articles L. 225-135-1 and R. 225-118 of the French Commercial Code, for a maximum period of twenty-six (26) months as from this General Meeting (except in respect of resolution 6 for which the delegation is granted for eighteen (18) months), its authority to increase the number of shares to be issued, for each issue carried out under the terms of the above resolutions 2, 3, 4 and 6 also submitted for your approval, within thirty (30) days before the end of the close of the subscription period, within the limit of fifteen percent (15%) of the initial issue, and at the same price as for the initial issue.

Except subject to prior authorization by the General Meeting, the delegation of authority provided for by resolution 7 currently being submitted for your approval shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.

The nominal amount of the share capital increases that may be carried out pursuant to the delegation provided for in resolution 7 currently being submitted for your approval shall be deducted from the ceiling provided for in the resolution pursuant to which the issue is decided, as well as from the overall nominal ceiling for share capital increases provided for in resolution 10 also submitted for your approval, it being specified that to this amount will be added, if applicable, the additional nominal amount of shares to be issued, in accordance with applicable laws and contractual provisions, for the purposes of preserving the rights of the holders of securities giving access to the capital.

8. Increase the share capital through the capitalization of reserves, earnings or premium - Delegation of authority to the Management Board for this purpose (Resolution 8)

We hereby propose, in accordance with the provisions of Article L. 225-129-2 *et seq.* and L. 225-130 of the French Commercial Code, to grant the Management Board for a period not exceeding twenty-six (26) months from the date of this General Meeting, authority to proceed with one or more capital increases, by simultaneously or successively capitalizing all or part of the Company's reserves, earnings, additional paid-in capital or other eligible amounts, whether in the form of the grant of new free shares to be issued or by increasing the par value of existing shares, or a combination thereof.

The total nominal amount of increases in share capital that may be carried out immediately or in the future pursuant resolution 8 currently being submitted for your approval may not under any circumstances exceed a total of four million six hundred and sixty-nine thousand five hundred euros (€4,669,500), to which will be added the par value of any ordinary shares to be issued in accordance with the provisions of the law and contractual provisions to preserve the rights of holders of securities giving access to the Company's share capital.

Fractional rights shall not be negotiable and the corresponding securities shall be sold. The proceeds from the sale will be allocated to rights holders within the time frame imposed by applicable regulations.

Except subject to prior authorization by the General Meeting, the delegation of authority provided for by resolution 8 currently being submitted for your approval shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period.

The Management Board shall have all powers to implement, if it so decides, the authorization provided for by resolution 8 currently being submitted for your approval, through one or more transactions, in proportions and at times that it seems fit and to amend the Articles of Association accordingly.

If the Management Board were to use the power of authority provided for by resolution 8 currently being submitted for your approval, it would report to the next Ordinary General Meeting, as required by law and regulations, on the uses made of authorizations granted under the said resolution.



9. Increase in the share capital by the issuance of shares and/or securities giving immediate and/or future access to the capital of the Company, with cancellation of preferential subscription rights of the shareholders, in consideration for contributions in kind for equity securities or other securities giving access to the capital - Delegation of authority to the Management Board for this purpose (Resolution 9)

We hereby propose, in accordance in particular with the provisions of Articles L. 225-129, L. 225-129-2, L. 225-135 and L. 225-147, paragraph 6 of the French Commercial Code, that you:

- + delegate to the Management Board the power to proceed with the issuance of the instruments set out below, on the Management Board's sole decision, in one or several steps, when the Management Board so decides and pursuant to the report of the Statutory Auditors:
 - o shares of the Company, and/or
 - o any capital securities of the Company giving access by any means, immediately or in the future, to other existing or future capital securities of the Company or giving the right to receive debt instruments from the Company, and/or
 - o any securities, whether hybrid or not, giving access by any means, immediately or in the future, to capital securities to be issued by the Company, and possibly giving access to existing capital securities and/or giving the right to receive debt instruments from the Company,

as consideration for contributions in kind granted to the Company and consisting of equity securities or other securities giving access to the share capital of other companies, when the provisions of Article L. 225-148 of the French Commercial Code are not applicable;

- + decide, as necessary, to cancel, in favor of the holders of the shares or securities that are the subject of the contributions in kind, the shareholders' preferential subscription rights to the shares or securities that may be issued pursuant the application of resolution 9 currently being submitted for your approval, and notes that in the event of an issue by the Company of securities giving access to new shares of the Company, resolution 9 entails a waiver by the shareholders, in favor of the holders of these securities, of their preferential subscription rights to the shares to which these securities will give immediate or future entitlement;
- + resolve that the securities that may be issued may notably consist of debt securities, including securities giving the right to receive debt securities, whether or not governed by Articles L. 228-91 *et seq.* of the French Commercial Code, or of warrants, or may be associated with the issue of such securities, or enable the issue thereof as intermediate securities. These securities may or may not be for a limited term, may or may not be subordinated, and may be issued in euros or in a foreign currency, or in any other monetary units established by reference to several currencies;
- + resolve that the maximum nominal amount of capital increases which may be carried out immediately or in the future, under delegation provided for by resolution 9 currently being submitted for your approval may not exceed ten percent (10%) of the Company's share capital at any time, as this share capital may have been adjusted after this General Meeting, it being specified that to this maximum amount will be added, as applicable, the additional nominal amount of shares to be issued to preserve (in accordance with the law and, as applicable, contractual provisions providing for other cases for adjustments), the rights of holders of securities or other rights giving access to the Company's share capital;
- + resolve that the maximum nominal amount of the debt securities that may be issued under this delegation will not exceed, and will be credited against, the maximum total amount of debt securities set out in resolution 2 also submitted for your approval;
- + resolve that, except subject to prior authorization by the General Meeting, the delegation of



authority provided for by resolution 9 currently being submitted for your approval, shall be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period;

- + set the duration of the authorization provided for by resolution 9 currently being submitted for your approval, at twenty-six (26) months from the date of this General Meeting;
- + grant all powers to the Management Board, that it may further subdelegate under the conditions provided for by law, to implement the delegation provided for by resolution 9 currently being submitted for your approval, and in particular to:
 - o establish the list of equity shares or securities tendered and determine the amount, characteristics, terms and conditions of the issue, the share exchange rate, and when applicable, the balance to be paid in cash;
 - o set the terms on which the rights of holders of securities giving access to the Company's share capital, immediately or in the future, may be exercised, and the terms on which such securities will give access to Company shares, and modify any such terms, in accordance with applicable formal requirements, while such securities are in effect;
 - o recognize the completion of the contribution and charge all costs, expenses and fees to the premium;
 - o duly record completion of each capital increase and make the corresponding amendments to the Articles of Association; and
 - o in general, conclude all agreements, undertake all measures and formalities useful for the issue, listing and financial services relating to the shares issued under the authorization provided for by resolution 9 currently being submitted for your approval, and the exercise of the corresponding rights, or undertake all formalities resulting from capital increases thus completed.
- + duly note that the Management Board will report to the next Ordinary General Meeting, as required by law and regulation, on the uses made of the delegation granted by resolution 9 currently being submitted for your approval.

10. Maximum aggregate amount of capital increases (Resolution 10)

We propose that you:

- + resolve that the maximum aggregate amount of capital increases that may be carried out, with immediate effect or in the future, under resolutions 2 to 9 also submitted for your approval, may not exceed five million three hundred and seventy thousand euros (€5,370,000), it being specified that to this maximum aggregate amount will be added the additional nominal amount of shares or securities to be issued in accordance with applicable legal or regulatory provisions and, if applicable, with contractual provisions providing for other forms of adjustment, in order to preserve the rights of the holders of securities or other rights giving immediate and/or future access to the capital of the Company;
- + duly note for the record that, in accordance with the provisions of Article L. 225-129-2, paragraph 2 of the French Commercial Code, the delegations of authority granted to the Management Board under resolutions 2 to 9 also submitted for your approval shall replace and render null and void, only for the future and for the portion not yet used, the authority having the same purpose granted by resolutions 17 to 23 of the Company's Combined General Meeting of June 17, 2020.



11. Capital increase reserved for employees - Delegation of authority to the Management Board for this purpose (Resolution 11)

We remind you that Article L. 225-129-6 of the French Commercial Code requires that a draft resolution for proceeding with a capital increase according to the conditions provided for by Articles L. 3332-18 *et seq.* of the French labor code, be submitted to the Extraordinary General Meeting deciding on any capital increase.

We will hereby read the legal provisions and related items and namely those relating to the subscription price of the shares.

In order to comply with this statutory requirement, and at such time the decisions proposed above have been approved by your Extraordinary General Meeting, we will then present you with a draft resolution to:

- + authorize the Management Board, if it deems appropriate, to proceed, within a maximum period of twenty-six (26) months from the date of the General Meeting, with a capital increase for a maximum nominal amount of one hundred thousand euros (€100,000), in one or more tranches, through the issue of cash shares reserved for employees participating in a company savings plan to be established by the Company and carried out in accordance with the provisions of Articles L. 3332-18 *et seq.* of the French Labor Code;
- + resolve that the above-mentioned maximum amount shall be independent of, and will not be credited against, the maximum amount of capital increases set out in resolution 10 also submitted for your approval. To this amount will be added, as applicable, the additional nominal amount of ordinary shares to be issued for the purposes of any adjustments to be made in accordance with applicable legal or regulatory provisions and, if applicable, with contractual provisions in order to preserve the rights of holders of securities giving access to the Company's share capital;
- + resolve to cancel shareholders' preferential subscription rights to such new shares in favor of employees of the Company or companies and groups affiliated thereto, within the meaning of Article L. 225-180 of the French Commercial Code;
- + resolve that the Management Board shall determine the shares' issue price in accordance with Article L. 3332-19 of the French Labor Code; and
- + resolve that, except subject to prior authorization by the General Meeting, the delegation of authority provided for under resolution 11 currently being submitted for your approval would be suspended as from the date of the filing by a third-party of a proposed public offering to acquire the Company's shares and until the end of this offering period;
- + grant all powers to the Management Board to implement the authorization under resolution 11 currently being submitted for your approval, and carry out the capital increase, and to that end, to establish the list of beneficiaries and the number of shares to be awarded to each employee, set the number of new shares to be issued and their date of record, set, within the legal limits, the conditions for issuing the new shares and the periods given to employees to exercise their rights and the periods and terms for paying up the new shares, record the capital increase based on the number of shares subscribed and amend the Articles of Association accordingly, and take all steps and carry out all formalities necessary to complete the capital increase.

If the Management Board were to use this delegation of authority provided for by resolution 11 currently being submitted for your approval, the Management Board would report to the next Ordinary General Meeting, as required by law and regulations, on the uses made of the authorization granted under the said resolution.

In accordance with the provisions of Article L. 225-138, II of the French Commercial Code, the Statutory Auditors have drawn up a report on the procedures for setting the issue price, that will be hereby



presented.

We hereby inform you however that this proposed capital increase is submitted solely for the purposes of complying with statutory provisions and that a capital increase of this nature is not foreseen by the Company, because the Company uses other methods, e.g. stock options, to provide employees with share-related incentives. **We accordingly ask you in consequence to reject resolution 11 proposing to proceed with this capital increase.**

In compliance with Article R. 225-113 of the French Commercial Code, information on the Company's affairs since the beginning of the current fiscal year is presented in Section 1.1.3 of the Company's Universal Registration Document 2019. This Document was made available to you as required by law.

Since the filing of the Company's Universal Registration Document 2019, the following major events have occurred:

- + Collaboration with Pfizer to co-develop and commercialize Lyme disease vaccine VLA15;
- + Partnership with the U.K. government for the provision of a Covid-19 vaccine;
- + Signing of a contract with the U.S. government Department of Defense (DoD) for the supply of its Japanese encephalitis (JE) vaccine, IXIARO®;
- + Positive initial results for two Phase 2 studies of Lyme disease vaccine candidate VLA15;
- + Commercial partnership with Bavarian Nordic for marketing and distribution of vaccines against rabies, Japanese Encephalitis, tick-borne encephalitis and cholera;
- + Initiation of a pivotal Phase 3 clinical trial for the single-shot chikungunya vaccine candidate VLA1553.

We remain at your disposal to provide you with any further details and additional information that you might require.

November 6, 2020

THE MANAGEMENT BOARD